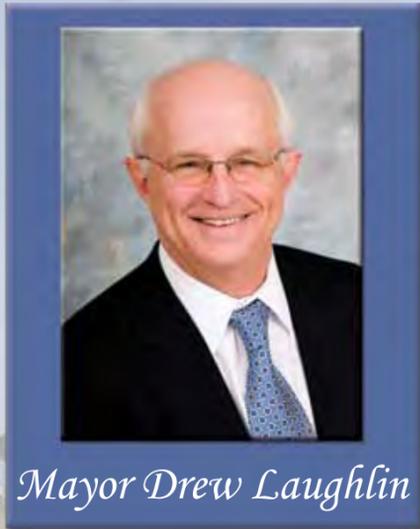


Our Town

A Newsletter of the Town of Hilton Head Island
 Brought to you by the Town of Hilton Head Island, South Carolina
www.hiltonheadislandsc.gov (843)311-1600

Mayor's Note



Mayor Drew Laughlin

Town Council will soon be considering appointments to our Boards and Commissions. The process is similar to applying for a new job. We review applications, a Personnel Committee narrows down a list of interviewees, and then makes recommendations to the full Council. Typically, this is all accomplished by June. We have several openings beginning this July and terms are for 3 years. Board and Commission members help shape the future of the Island. Go to our web page at: www.hiltonheadislandsc.gov click on Government then Boards, Committees, Commissions and select Stand up and Take a

Seat to apply for a seat on a Town Board or Commission.

Soon, very soon, we expect to see the Shelter Cove Mall unveil its plans for redeveloping its property. The developer and staff have been working hard on remaking the property in a way that may spur greater activity and use for this part of the Island. We hope that the public/private partnership results in adding a nice mix of residential and commercial activity to a property that has seen decline. The Town may be asked to swap land, amend the Land Management Ordinance (LMO), rezone, and participate in park improvements. Please review the plans when presented and let us know what you think.

Redevelopment at the Mall and Coligny are ongoing priorities of Council. So too is our intention to revamp our LMO. The Council-appointed LMO Re-Write Committee has been working on the project for a year, and Council authorized the hiring of a consultant to draft a new LMO for Council consideration. Our LMO worked fairly well for what it was first intended to do i.e. control growth, establish design standards, and protect

our natural resources. Times change and the need to revamp the LMO to accommodate a new focus must occur. Our test will be to balance what made our Island internationally recognized with a more flexible approach to regulation. I urge your participation because while you have elected 7 Council members, we rely on your calls, letters, e-mails etc to let us know where you stand on significant issues like the ones before us.

Town Council adopted a Towing Ordinance last month that places caps on towing and storage fees charged to persons. Beaufort County adopted a similar law last year. This law will prevent unreasonable towing and storage fees in situations where a vehicle has e.g. been towed because of a parking violation. We saw several unreasonable fees being charged to visitors and residents alike and our new Ordinance ensures that overcharging will not occur.

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Town Manager's Note



Steve Riley

When the Town of Hilton Head Island incorporated in 1983, it started in humble surroundings. The first Town Council meeting was convened in Mayor Ben Racusin's den. The second meeting was held in Island resident Fred Donnelly's home. The first year, Council would conduct the Council meeting in a small building at the corner of U.S. 278 and Folly Field Road. Council meetings were held in a conference room. So too has humble surroundings been

experienced by the Beaufort County Sheriff's Office on Hilton Head Island.

When incorporated, the Council decided to use the County for its law enforcement rather than create its own police force. Currently, we contract for law enforcement services with the Sheriff's Office. The Sheriff's Office Island headquarters over the years made early Town Hall space look like an ivory tower in comparison. After years of looking for an appropriate and suitable location and building, Town Council recently authorized the purchase of what is currently known as the Lifespan Building. The building is on Shelter Cove Lane near the old Cracker Barrel site. It is a 23,500 square foot building, is flood-proofed, enjoys better parking, and can withstand winds up to 135 mph. Council is considering moving the Island Recreation Association's Share Center there as well. We will have to do some remodeling there, but we hope to move the Sheriff's Office there within a couple of months.

Online travel guide, 10Best.com, recently named Hilton Head Island's beach as best beach runner-up. We're awfully proud of

this award and others we have received for our beach. First and foremost, the award is a reflection of being graced with such a natural resource. Our beach is a natural resource we devote much attention to. We keep it clean, groomed, and renourished because you expect it and because it represents a great marketing tool for the Chamber. Visitors pay the vast majority of costs associated with the upkeep of the beach and that is fair considering the beach is a major reason they visit.

Town Staff is in the midst of drafting new sign laws for Council consideration. The changes are designed, in part, to make it easier for businesses to advertise openings, special promotions and events. The balance, always in amending or making more flexible changes to long-standing laws, is not to lose sight of our design standards. Hilton Head Island is different from most other towns for a reason, namely, we tightly regulate design, including signs. We'll need to hear from you when the changes are considered.

2011 Accomplishments

Town Council often asks staff of the need “to get the word out.” In the category of “What have you done for us lately,” please take a look at a summary of some our 2011 accomplishments:

- Reviewed and Streamlined the Permitting Process.
- Assisted with saving the Heritage Golf Tournament: Town’s Leadership, Funding, State of South Carolina Participation.
- Assisted with the promotion of the Heritage Golf Tournament.
- Initiated Review Process of our Land Management Ordinance.
- Received an AAA Bond Rating.
- Created Wi-Fi hot spots for free public use at Honey Horn and Shelter Cove Community Park and key areas within Town Hall.
- Completed several enhancements to the Town’s Website that improved access for citizens to information and documents.
- Permitted over 55 Special Events on the Island.
- Adopted an ordinance to regulate nonconsensual towing within the Town.
- Developed the Mayor’s Youth Community Service Award Program.
- Adopted a Residential Waste and Recycling Program.
- Designed and installed new street name signs on mast arms and corner posts.
- Processed 4,485 Building Permits.
- Co-sponsored Bike Friendly Workshop and obtained Bike Friendly Community Award and obtained Audubon Green Community Award.
- Awarded the Certificate of Achievement in Financial Reporting by the Government Finance Officers Association for the twenty-second consecutive year and the Distinguished Budget Presentation Award for the seventh year.
- Received an unqualified opinion from the independent external auditors on the financial statements and did not receive any findings related to internal controls over financial reporting.
- Collected more than \$100,000 due to efforts made towards Town ATAX collection project.
- Completed construction of a new roundabout at Arrow Road and Dunnagan’s Alley.



- Completed construction of a new roundabout at Mathews Drive and Beach City Road.
- Completed construction of the Mathews Drive North Pathway from William Hilton Parkway to Beach City Road.
- Completed the in-house design, permitting and construction of the Dunnagan’s Alley - Palmetto Bay Road Pathway.
- Completed the in-house design, permitting and construction of new pathway along William Hilton Parkway from Mathews Drive to Gardner Drive.
- Completed the in-house design of a new pathway serving Honey Horn and intersection improvements at William Hilton Parkway and Gum Tree Road .
- Completed the in-house design of a new pathways along Gardner Drive, Leg O Mutton Road and Pembroke Drive.
- Completed the dredging of Miller’s Pond.

- Completed the in-house design, permitting and construction of the crosswalks, refuges, and ancillary pathway improvements at William Hilton Parkway and Shipyard/Wexford and New Orleans Road/ Village at Wexford, with an auxiliary right turn lane from William Hilton Parkway westbound onto New Orleans Road.
- Coordinated with the SCDOT for the installation of fiber optic lines to serve the Island’s traffic signals and traffic signal infrastructure upgrades.
- Executed a new, ten year Storm Water Utility (SWU) intergovernmental agreement with Beaufort County.
- Completed forty (40) storm drainage maintenance projects throughout the Island.
- Acquired storm drainage maintenance rights over four planned unit developments (Palmetto Dunes, Leamington, Wexford and Sea Pines).
- Completed the Port Royal Sound Shoreline Restoration and Stabilization Project – beach fill and terminal groin.
- Executed mutual aid agreements with the County and State for debris removal within their road rights of way.
- Revised Town policy regarding management of private property debris.
- Completed a comprehensive Debris Management Plan.
- Began design of the future Rowing and Sailing Center.
- Demolished the former Seafood Co-op Property dock, the building which previously housed the Children’s Center and the former Smokehouse Restaurant/temporary Fire Station 1.
- Installed sod in various areas along William Hilton Parkway.
- Installed new and replacement plantings in various medians and rights of way.
- Graded, seeded, and created viewing corridors at the former Abe’s Restaurant property.
- Installed new batting cages at the Crossings Park.
- Constructed a new picnic pavilion at Jarvis Creek Park.
- Replaced pavers and installed new kiosks at the Veterans Park.
- Replaced children’s play ground equipment at Islanders’ Beach Park and Green’s Shell Park.
- Renovated the Shelter Cove pedestrian under pass bridge.
- Constructed additional boardwalk at Driessen’s Beach Park.
- Replaced bus stop roof at Port Royal Plaza and Museum Street / William Hilton Parkway.
- Renovated parking lots at Chaplin, Fish Haul, Mitchelville, Green’s Shell, and Jarvis Parks.
- Replaced mobi matting at Town beach parks.
- Regraded and leveled Coligny beach pavers.
- Replaced multiple beach park boardwalk decks.
- Completed annual pathway repairs and rejuvenation projects.
- Refurbished multiple crosswalk paintings.
- Completed renovations of Bristol Sports Arena and Skate Park to include restroom building.



2011 Accomplishments continued...

- Obtained Induced Hypothermia (Code ICE) equipment through a DHEC Region 8 grant that saved the Town over \$12,000. Code ICE improves outcomes of patients that suffer a cardiac arrest and have return of spontaneous circulation (ROSC). Cooling the patient via IV fluids in the field is supported by procedures implemented in the hospital in conjunction with new equipment purchases.
- Replaced Fire Station 1 with a hardened structure which may allow staff to remain in their response area longer in some natural disasters.
- Improved Response Times to all emergencies to within 2 minutes 24% of the time, to all emergencies within 3 minutes 51% of the time, and to all emergencies within 5 minutes 83% of the time.
- Funded and built two new emergency access gates (Port Royal Plantation off Dillon Road and Palmetto Hall Plantation off Beach City Road).
- Installed new 911 Automatic Number/Location Indicator database allowing Beaufort County and the Town to control information provided by phone companies which will provide more accurate information and customer records when calling 911 so that callers may be accurately located in a matter of seconds.
- Fire & Rescue accessed Hilton Head Regional Medical Center Wi-Fi system for enhanced Patient Care Reporting (PCR) which allows mobile data terminals to be used inside the hospital to complete PCR's and allow immediate data transfers inside the hospital.
- Received grant funding from the Home Fire Sprinkler Coalition and conducted burn demonstrations to demonstrate the effectiveness of home fire sprinkler systems.
- Conducted biannual Enhanced Emergency Operations Center Training utilizing realistic and complex scenarios.
- Conducted Household Hazardous Waste, E-waste, and Prescription Drug Collection. Recycled and reclaimed approximately 45,000 lbs of hazardous materials, 18,000 lbs of Electronic wastes, and 80 lbs of prescription drugs.
- Completed the new NIMS online training requirements by all F&R line personnel and 80 Town administrative personnel to maintain NIMS compliant, which is necessary in order to ensure eligibility for Federal preparedness grant funding.
- Fire & Rescue conducted 2902 Fire Safety Inspections to include 561 fire inspections for Business Licenses, 1778 existing building inspections and 563 fire inspections for new/renovated construction. In addition 111 construction plan reviews for new and renovated construction projects were completed.
- Fire & Rescue's File of Life program for citizens to record their vital medical information for easy access by medical personnel during emergencies, reached approximately 800 recipients.
- Fire & Rescue conducted 47 public CPR / AED classes in FY2011 with 376 students trained.
- Fire & Rescue received the completed re-furbished tractor drawn aerial apparatus and placed it in active service.



Residential Waste and Recycling



Please remember that any single family or cart based multi-family residential households which had signed contracts in place with other waste haulers for waste or recycling collection services on April 1, 2011 have until their existing contract expires, or until September 30, 2012, whichever date is earlier to begin using the collection services of Republic Waste Services.

You can initiate your service now by contacting Republic at 843-681-6330 or by signing up for service on-line at www.republicserviceshiltonhead.com

The cost of service will depend on the frequency of trash pick-ups that you may choose. For instance, the single family base price for 2 times per week trash pick-up and 1 time per week recycling pick-up is \$61.20 per quarter. This 5 year contract details all pricing for the entire term. The increase in costs are limited to a 2.25% gas escalation fee per year, which will only apply to the base service fee, not any add-on services that you may choose and gets implemented on April 1st of each contract year.

One of the advantages of this service is that the recycling is single stream, and we have an extensive list of acceptable recyclable materials, which include items such as the following plastic containers #1 through #7 and other recyclables:

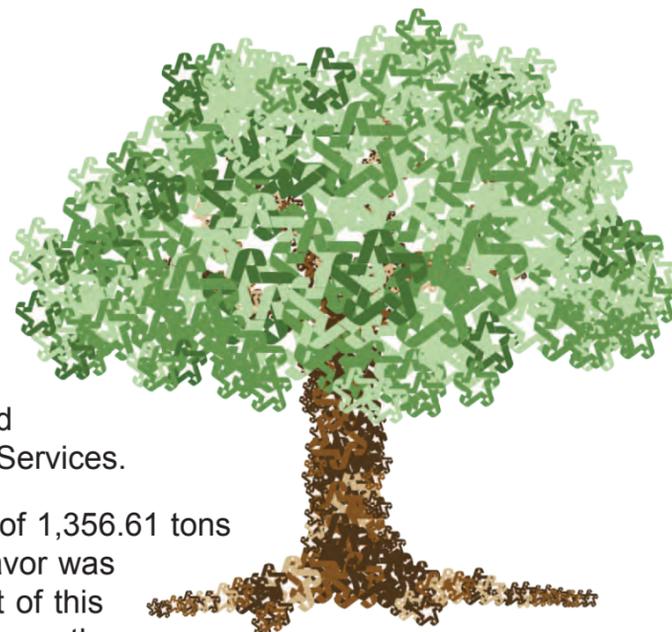
- Plastic beverage and soda bottles and microwaveable trays for frozen meals;
- Plastic milk bottles and cleaning product containers;
- Plastic frozen food trays, wrap and shampoo bottles;
- Plastic grocery bags and garbage bags;
- Plastic butter, margarine, yogurt, and cottage cheese tubs;
- Foam-style containers for meat, fish, eggs, and packaging for toys and electronic products; and
- Other recyclable plastic and products such as pizza boxes.

For a full list of acceptable recyclable materials, please visit our website at www.hiltonheadislandsc.gov.

April 1st marked the completion of the first year of the Town implemented residential waste and recycling franchise agreement with Republic Waste Services.

Between April 1, 2011 and February 29, 2012, we have recycled a total of 1,356.61 tons via the single stream recycling program. One of the goals of this endeavor was to increase the rate of recycling on Hilton Head Island. Before the start of this program, we recycled an average of 31 tons of residential recyclables per month. Compare that to our current average of 123.32 tons per month!

This initiative has continually evolved as more customers initiate their service with Republic Waste Services. Republic's total customer base as of April 1st is 8,165.



Highlights from the Town's Annual Audit

(Fiscal Year ending June 30, 2011)

Major Initiatives

In Fiscal Year 2009, the Town implemented an expenditure reduction plan (savings plan) in an effort to offset an anticipated decline in revenues. The savings plan was carried forward into FY 2010 and 2011. The results were quite successful; expenditures were approximately \$1.7 million less than the final budget.

FY 2011 - General Fund

	Final Budget	Actual	Variance
Revenue	\$25,327,030	\$25,227,916	\$(99,114)
Transfers In	6,769,223	5,681,671	(1,087,553)
Expenditures	33,499,697	31,787,286	1,712,411
Revenues Over (Under) Expenditures	\$(1,403,444)	\$(877,700)	\$525,744

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town of Hilton Head Island for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2010. This was the 22nd consecutive year that the government has received the prestigious award.

The Town also received the GFOA Distinguished Budget Presentation Award for the fiscal year beginning July 1, 2010. It was the 6th year the Town has received this award. The budget document serves as the Town's primary fiscal policy document.

Governmental Activities (All Funds except Stormwater and Firemen's Funds)

Governmental activities increased the Town's net assets by \$11,442,891. This increase was \$886,669 larger than the previous fiscal years' increase. The following highlight the significant changes from the previous year:

- Property tax revenue, the Town's largest revenue source, increased for all funds by \$150,967 or approximately 1%.
- Property taxes made up 38.94% of the total revenue down from 40.24% of the total in the previous fiscal year.
- Total expenses increased by \$1,004,789. The largest part of this increase appears in the administrative function where the Town recognized a \$1,000,000 grant to the Heritage Classic Foundation to support the RBC Heritage, a PGA Tour event held on the Island.
- Investment income revenues for all funds decreased by \$95,568 from the previous fiscal year due to the continued drop in interest rates.

General Fund Budgetary Highlights

The General Fund revenues were **less** than the revised budget by \$99,114. Listed below is a summary of the major revenue sources comparing actual revenues to budget:

- Real and personal property taxes were down \$110,681.
- Local accommodations tax revenue was up \$463,904.
- Business license and franchise fee revenue was down \$467,289.
- Building permit revenue was up \$75,609.
- State shared revenue was down \$35,592.
- EMS revenue was up \$152,088.
- Fines and fees were down \$55,068.
- Investment income was down \$48,125.



Actual General Fund expenditures were less than the revised budget by \$1.71 million. The favorable variance can be primarily attributed to the continuation of the expenditure reduction plan that was implemented in mid-year FY 2009.

The Value of Town Taxes

Did you know that according to a J.D. Power Report in 2010 the average monthly cell phone bill was \$78 or \$936 per year?



Do you spend less than \$2,000 annually on internet, TV, cell phone service, and video games?

If so, you're in the minority. All of these expenses traditionally fall into the entertainment category, as "discretionary" spending. But more and more, they're viewed as indispensable, right up there with electricity, water, and food.

What about the tax bill for the Town of Hilton Head Island?

If your home is assessed or capped at \$350,000 for the most recent Tax Year 2011 bill, you paid:

If a primary residence at 4%: \$270.62

If a secondary residence at 6%: \$405.93

(Note: this is Town only – not PSD, County, School, Storm Water)



For the annual cost of \$271 for a primary residence or \$406 for a secondary residence as compared to \$936 for cell phone use or more than \$2,000 annually for all internet, TV-cable, cell phones and video games, the Town provides residents with, among other things:

- Public Safety and Beach Patrol Services
- Fire and Emergency Medical Services
- Community Development Services (Reviewing development plans, inspecting construction)
- Pathways and Roadways – including landscaping
- Community Parks, Beach Parks, and Tennis Courts

This is an overall great value that the Town provides at a very reasonable cost. A primary residence pays only 29% in annual Town taxes as compared to the average annual cell phone bill. ($\$271 / \$936 = 29\%$)